



Attorney Docket No.: YUN-13402/03

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Henry C. Yuen

Serial No.: 09/607,606 Group Art Unit: 3624

Filing Date: June 30, 2000 Examiner: Geoffrey R. Akers

Title: INTERNET-BASED AUCTION METHOD

RESPONSE TO OFFICE ACTION

Assistant Commissioner for Patents
Washington, DC 20231

Dear Sir:

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GROUP 3600

In response to the Office Action mailed July 10, 2002, the Examiner's attention is directed to the following remarks.

REMARKS

Applicant's invention presents a method and system for locating and purchasing an item at the lowest price offered for sale of that item by a group of vendors. The vendors are tasked to compete in a reverse bidding process to offer the item to a purchaser at a price below an initial starting bid submitted by the purchaser. The system and method includes two phases. The first phase involves conducting a search over a network to determine the most favorable price of goods and/or services offered by a first group of vendors which is then submitted to the purchaser. (Page 6, lines 14-17. Page 8, lines 1-8) Phase two involves a reverse auction process that includes soliciting a starting bid from the purchaser which may be equal to or lower than the most favorable price obtained from the first group of vendors in phase one. After receiving a starting bid from the